

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: W.R. GRACE & CO., <i>et al.</i>, Debtors.	§ § § § § §	Chapter 11 Jointly Administered Case No. 01-01139 (KJC)
---	--	--

**FEE AUDITOR’S FINAL REPORT REGARDING THE FINAL
APPLICATION OF BAKER MCKENZIE LLP AS ORDINARY
COURSE PROFESSIONAL FOR ALLOWANCE OF FEES AND EXPENSES
IN EXCESS OF THE MONTHLY OCP LIMIT FOR NOVEMBER 2011**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Final Application of Baker & McKenzie LLP as Ordinary Course Professional for Allowance of Fees and Expenses in Excess of the Monthly OCP Limit for November 2011 (the “Application”).

BACKGROUND

1. Baker & McKenzie LLP (“Baker & McKenzie”) was retained as an ordinary course professional (“OCP”) to provide legal services to the Debtors and Debtors-in-Possession. In the Application, Baker & McKenzie seeks final approval of fees totaling \$92,316.19¹ and expenses

¹We note that the total of the fees requested in Baker & McKenzie’s prior fee application is \$96,728.61. It appears that Baker & McKenzie has deducted from this amount all of the reductions ordered by the Court for the prior period, which period is discussed in more detail in paragraph 3, to arrive at the figure it seeks of \$92,316.19. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

totaling \$1,118.16² for its services from November 1, 2011 through November 30, 2011 (the “Final Application Period”).

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2014, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, Issued January 30, 1996 (the “U.S. Trustee Guidelines”), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals. We have no issues with, or objections to, the Application, and thus we did not send an initial report to Baker & McKenzie.

DISCUSSION

Prior Interim Application

3. We note that we previously filed the following final report for Baker & McKenzie’s prior interim application, which final report we incorporate by reference herein, and we also note the following order that ruled on Baker & McKenzie’s prior interim fee application:

43rd Period: Fee Auditor’s Final Report Regarding First Interim Fee Application of Baker

²We note that the total of the expenses requested in Baker & McKenzie’s prior fee application is \$1,118.16. The Court ordered no reductions for the prior period, which period is discussed in more detail in paragraph 3, and thus Baker & McKenzie has deducted no sums from this amount to arrive at the figure it seeks of \$1,118.16. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

& McKenzie LLP as Ordinary Course Professional for Allowance of Fees and Expenses in Excess of the Monthly OCP Limit for November 2011 (Docket #28750), filed on or about March 30, 2012, in which we recommended approval of fees totaling \$92,316.19 and expenses totaling \$1,118.16, reflecting our recommended reductions of \$4,412.42 in fees, as further explained in paragraphs 3 and 5 of that final report. These recommendations were adopted in the Order Approving Quarterly Fee Applications for the Forty-Third Period, dated June 14, 2012 (Docket #29054).

4. We have reviewed the final report and order allowing fees and expenses for the prior interim period, and we do not believe there is any reason to change any of the amounts awarded for the prior interim period.

CONCLUSION

5. Thus, we recommend final approval of \$92,316.19³ in fees and \$1,118.16⁴ in expenses for Baker & McKenzie's services for the Final Application Period.

³We note that the total of the fees requested in Baker & McKenzie's prior fee application is \$96,728.61. It appears that Baker & McKenzie has deducted from this amount all of the reductions ordered by the Court for the prior period, which period is discussed in more detail in paragraph 3, to arrive at the figure it seeks of \$92,316.19. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

⁴We note that the total of the expenses requested in Baker & McKenzie's prior fee application is \$1,118.16. The Court ordered no reductions for the prior period, which period is discussed in more detail in paragraph 3, and thus Baker & McKenzie has deducted no sums from this amount to arrive at the figure it seeks of \$1,118.16. We note that the Court has ruled on the First through Fifty-First Interim Periods, but no ruling has been made on the Fifty-Second Interim Period.

Respectfully submitted,

WARREN H. SMITH & ASSOCIATES, P.C.



By: _____
Warren H. Smith
Texas State Bar No. 18757050

2235 Ridge Road, Suite 105
Rockwall, Texas 75087
214-698-3868
214-722-0081 (fax)
whsmith@whsmithlaw.com

FEE AUDITOR

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 29th day of July, 2014.



Warren H. Smith

SERVICE LIST

Notice Parties

The Applicant

Erin Broderick
Baker & McKenzie LLP
300 E. Randolph Street, Suite 5000
Chicago, IL 60601

The Debtors

Richard Finke
Assistant General Counsel
W.R. Grace & Co.
7500 Grace Drive
Columbia, MD 21044

United States Trustee

Richard Schepacarter
Office of the United States Trustee
844 King Street, Lockbox 35, Room 2207
Wilmington, DE 19801

Counsel for the Debtors

John Donley
Adam Paul
Kirkland & Ellis LLP
300 North LaSalle Street
Chicago, IL 60654

Laura Davis Jones, Esq.
James E. O'Neill
Pachulski Stang Ziehl & Jones LLP
919 North Market Street, 17th Floor
P.O. Box 8705
Wilmington, DE 19899-8705

Counsel to the Official Committee of Unsecured Creditors

Denise Wildes
Stroock & Stroock & Lavan
180 Maiden Lane
New York, NY 10038-4982

Michael R. Lastowski
Duane Morris LLP
222 Delaware Avenue, Suite 1600
Wilmington, DE 19801

Counsel to the Official Committee of Property Damage Claimants

Scott L. Baena
Jay Sakalo
Bilzin, Sumberg, Baena, Price & Axelrod
1450 Brickell Avenue, Suite 2300
Miami, FL 33131

Michael B. Joseph
Theodore J. Tacconelli
Lisa Coggins
Ferry & Joseph, P.A.
824 Market Street, Suite 904
Wilmington, DE 19801

Counsel to the Official Committee of Personal Injury Claimants

Elihu Inselbuch
Rita Tobin
Caplin & Drysdale
600 Lexington Avenue, 21st Floor
New York, NY 10022-6000

Marla R. Eskin
Mark Hurford
Kathleen Campbell Davis
Campbell & Levine, LLC
222 Delaware Avenue, Suite 1620
Wilmington, DE 19801

Counsel to the Official Committee of Equity Holders

Philip Bentley
David E. Blabey, Jr.
Kramer Levin Naftalis & Frankel
1177 Avenue of the Americas
New York, NY 10036

Teresa K.D. Currier
Saul Ewing LLP
222 Delaware Avenue
P.O. Box 1266
Wilmington, DE 19899